

Decision 05-09-016 September 8, 2005

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of East Bay Connection, Inc. for an extension of authority to operate as a passenger stage corporation between points in San Francisco, Alameda, Contra Costa, Marin, Solano, San Mateo and Santa Clara Counties and the San Francisco, Oakland and San Jose International Airports and to establish a Zone of Rate Freedom.

Application 05-04-021
(Filed April 21, 2005)

O P I N I O N

Summary

This decision grants the application of East Bay Connection, Inc. (Applicant), a corporation, pursuant to Pub. Util. Code § 1031 et seq., to extend its certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, and to establish a zone of rate freedom (ZORF) pursuant to Pub. Util. Code § 454.2.

Discussion

Applicant currently is authorized to transport passengers and their baggage pursuant to Decision (D.) 95-09-037 between points in Alameda, Contra Costa, and Solano Counties, on the one hand, and San Francisco (SFO) and Oakland (OAK) International Airports, on the other hand. The application requests authority to expand the PSC authority to include points in the Counties of San Francisco, Marin, San Mateo, and Santa Clara, and to add service to San Jose International Airport (SJC).

Applicant reports experiencing demand for on-call PSC service to points beyond its currently authorized service territory. The request to serve SJC arises from growing demand for service at that airport because a number of airlines' flights originate only at that facility. Applicant advises that it has been serving the extended area and SJC as a charter-party carrier and is therefore familiar with the constantly increasing needs of the public for shared ride, door-to-door service. It maintains that it has the necessary equipment and personnel to conduct the expanded operation. Exhibit F of the application is Applicant's equipment list showing 27 vehicles available for service. Its unaudited balance sheet as of December 31, 2004 (Exhibit E of the application) discloses assets of \$499,000, liabilities of \$412,000 and net worth of \$87,000.

The proposed fares for the expanded service, as listed in Exhibit D of the application, range between \$17 (Alameda – OAK) and \$134 (Gilroy – SFO). Applicant requests to establish a ZORF to \$10 above and below any existing or proposed fare of \$30 and under, \$20 above and below any fare between \$31 and \$60, and \$30 above and below any fare over \$60. Applicant will compete with other PSCs, taxicabs, limousines, public transit, and private automobiles in its service area. This highly competitive environment should result in Applicant pricing its services at a reasonable level. Many other PSCs have been granted ZORFs. The requested ZORF is generally consistent with the ZORFs held by other PSCs.

Notice of filing of the application appeared in the Commission's Daily Calendar on April 29, 2005. Applicant requests a waiver from the provisions of Rule 21 of the Commission's Rules of Practice and Procedure which require service of a notice of the application on all city and county officials within whose boundaries the passengers will be loaded or unloaded. Applicant served a notice to the seven involved counties, 22 cities, the affected airports, and public transit

operators in the service area. Applicant states that all parties that have an interest in Commission proceedings subscribe to or have access to the Commission's Daily Calendar. We shall exercise the discretion accorded to us by Rule 87 and grant the waiver requested by Applicant because it will be providing on-call service, not scheduled service, and service on all cities in the service territory would be burdensome.

In Resolution ALJ 176-3152 dated May 5, 2005, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3152.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Assignment of Proceeding

Richard Clark is the assigned Examiner in this proceeding.

Findings of Fact

1. Applicant currently is operating as a PSC pursuant to D.95-09-037.
2. The application requests authority to expand Applicant's PSC authority to include service to points in Marin, San Francisco, San Mateo, and Santa Clara Counties and to SJC. Public convenience and necessity requires the proposed service.
3. Applicant requests authority to establish a ZORF of \$10 above and below any existing or proposed fare of \$30 and under, \$20 above and below any fare between \$31 and \$60, and \$30 above and below any fare over \$60. Applicant will

compete with PSCs, taxicabs, limousines, public transit, and automobiles in its operations. The ZORF is fair and reasonable.

4. Applicant requests a waiver of the notice requirements of Rule 21 of the Rules of Practice and Procedure as it has served notice to seven counties, 22 cities, the affected airports and public transit operators in the service area.

5. No protest to the application has been filed.

6. A public hearing is not necessary.

7. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. Public convenience and necessity has been demonstrated and the application should be granted.

2. The request to waive the notice requirements of Rule 21 should be granted.

3. The request for a ZORF should be granted.

4. Before Applicant changes any fares under the ZORF authorized below, Applicant should give this Commission at least ten days' notice. The tariff should show the high and low ends of the ZORF and the then currently effective fare between each pair of service points.

5. Since the matter is uncontested, the decision should be effective on the date it is signed.

O R D E R

IT IS ORDERED that:

1. The certificate of public convenience and necessity (CPCN) granted to East Bay Connection, Inc. (Applicant), a corporation, authorizing it to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to

transport passengers and their baggage between the points and over the routes set forth in Appendix PSC-8614 of Decision 95-09-037 is amended by replacing Original Pages 2 and 3 with First Revised Pages 2 and 3, subject to the conditions contained in the following paragraphs.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. File tariffs on or after the effective date of this order. They shall become effective ten days or more after the effective date of this order, provided that the Commission and the public are given not less than ten days' notice.
- d. Comply with General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.
- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
- f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
- g. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
- h. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.

3. Applicant is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$10 above and below any existing or proposed fare of \$30 and under, \$20 above and below any fare between \$31 and \$60, and \$30 above and below any fare over \$60.

4. Applicant shall file a ZORF tariff in accordance with the application on not less than ten days' notice to the Commission and to the public. The ZORF shall expire unless exercised within 120 days after the effective date of this order.

5. Applicant may make changes within the ZORF by filing amended tariffs on not less than ten days' notice to the Commission and to the public. The tariff shall include the authorized maximum and minimum fares and the fare to be charged between each pair of service points.

6. In addition to posting and filing tariffs, Applicant shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.

7. Applicant is authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to Applicant that its evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the CHP has approved the use of Applicant's vehicles for service.

8. Before beginning service to any airport, Applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are authorized by the airport's governing body.

9. The amended CPCN to operate as PSC-8614, granted herein, expires unless exercised within 120 days after the effective date of this order.

10. The notice requirements of Rule 21 of the Commission's Rules of Practice and Procedure are waived as copies and notice of the application have been served upon parties that may have an interest in this proceeding

11. The Application is granted as set forth above.

12. This proceeding is closed.

This order is effective today.

Dated September 8, 2005, at San Francisco, California.

MICHAEL R. PEEVEY

President

GEOFFREY F. BROWN

SUSAN P. KENNEDY

DIAN M. GRUENEICH

JOHN A. BOHN

Commissioners

SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS, AND SPECIFICATIONS.*

This certificate supersedes all passenger stage operative authority granted to Bashir A. Sulymankhel, Nazir A. Sulymankhel, Jawad A. Sulymankhel, and Reshad A. Sulymankhel, a partnership.

East Bay Connection, Inc., a corporation, by the amended certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to transport passengers and their baggage on an "on-call" basis between the points described in Section II, over the routes described in Section III, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- a. When a route description is given in one direction, it applies to operation in either direction unless otherwise indicated.
- b. The term "on-call," as used, refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs shall show the conditions under which each authorized on-call service will be provided, and shall include the description of the boundary of each fare zone, except when a single fare is charged to all points within a single incorporated city.
- c. No passengers shall be transported except those having a point of origin or destination as described in Section IIB.

* Revised by Decision 05-09-016, Application 05-04-021.

SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS, AND SPECIFICATIONS (CONTINUED)

- d. This certificate does not authorize the holder to
conduct any operation on the property of any airport
unless such operation is authorized by the airport
authority involved.

SECTION II. SERVICE AREA.

- A. Points in the Counties of Alameda, Contra Costa, Marin,* San
Francisco,* San Mateo,* Santa Clara,* and Solano.
- B. San Francisco International Airport (SFO) .
Oakland International Airport (OAK).
San Jose International Airport (SJC).*

SECTION III. ROUTE DESCRIPTION.

Commencing from any point described in Section IIA, then over
the most convenient streets and highways to any airport described in
Section II B.

* Revised by Decision 05-09-016, Application 05-04-021.